

# EXHIBIT 3

Hunters Capital, LLC v. City of Seattle

Bates McKee

Page 1

IN THE UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

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HUNTERS CAPITAL, LLC, et al.,	)	
	)	
Plaintiffs,	)	
	)	
vs.	)	No. 20-cv-00983-TSZ
	)	
CITY OF SEATTLE,	)	
	)	
Defendant.	)	

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VIDEOTAPED VIDEOCONFERENCE DEPOSITION  
UPON ORAL EXAMINATION OF  
BATES McKEE

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Witness located in Seattle, Washington  
(All participants appearing via videoconference.)

DATE TAKEN: AUGUST 24, 2022  
REPORTED BY: CARLA R. WALLAT, CRR, RPR  
WA CCR #2578; OR CSR #16-0443; CA CSR #14423

BUELL REALTIME REPORTING, LLC  
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1           A. I believe Commercial Analytics has the  
2 distinction of -- of Capitol Hill at large, and I think  
3 that's probably discussed in the report. Do you want  
4 me to look at that?

5           So let's see. They have different  
6 methodologies and data sources.

7           Q. What page are you referring to?

8           A. I'm looking at page 21.

9           Q. Okay. Okay. Does it tell us what boundaries  
10 Commercial Analytics used for the boundaries for the  
11 subject area on page 21?

12          A. I was thinking that it did, but I don't see it  
13 in here.

14          Q. Okay.

15          A. So my understanding is that Commercial  
16 Analytics includes sort of all Capitol Hill and their  
17 boundaries, so this is an examination of Capitol Hill  
18 including, you know, the CHOP area but not excluding  
19 other areas of Capitol Hill. And that's -- that's  
20 their boundary conditions.

21          Q. So if -- if I understand the data that comes  
22 from Commercial Analytics that refers to the subject  
23 area refers to the entire area of Capitol Hill?

24          A. Yes.

25          Q. Okay. And --

1           A.   As -- as labeled I hope.   It says, you know,  
2   Capitol Hill there.

3           Q.   And where -- where are you referring to?

4           A.   On page 26 and 27.   And you can see the note  
5   on page 25 that says "Data provided by property and  
6   owners and managers and anonymized by using market  
7   areas."

8                   So again, that's, -- so, you know, limitation  
9   of the data provider.

10          Q.   Okay.   So -- but this doesn't provide us a --  
11   a map of the boundaries for Commercial Analytics'  
12   subject area that involves Capitol Hill, does it?

13          A.   No.

14          Q.   Okay.   How about CoStar, is there a -- is  
15   there a list of the boundaries that -- that were used  
16   for the subject area for CoStar?

17          A.   Well, I think that that is bounded by -- you  
18   know, by the maps that are included in the CoStar data.  
19   So that -- that shows the boundaries.

20          Q.   And where do you capture those in your report?

21          A.   Oh, I'm sorry, starting on page 49, then on  
22   page 53, 57, 61.

23          Q.   Okay.   So going to page 49, on this -- on this  
24   map, the -- the boundaries of the subject area are  
25   different than they were for the -- the Yardi map on

1 Q. And surely, you would have included the  
2 addresses for these specific locations in your work  
3 papers that you provided us, wouldn't you have?

4 A. No, I wouldn't think so.

5 Q. Why not?

6 A. I wouldn't think that that was data that  
7 was -- like in the case of Commercial Analytics, it's  
8 anonymized, so it wouldn't even have been available.  
9 And I just don't think that would have been within the  
10 scope of what we were trying to do.

11 Why would we? Why would we have specific  
12 addresses? It's -- where would you stop, you know?  
13 You know, types and sizes and, you know -- and  
14 individual characteristics and whether they have  
15 balconies and -- you know, that's not the purpose of  
16 this analysis, and it's not something that we  
17 endeavored to do.

18 Q. Well, if you wanted to test any of the data  
19 that -- that you're being given from Yardi, certainly  
20 you would want to have the addresses; wouldn't you  
21 agree?

22 A. We wouldn't normally test Yardi data. It's --  
23 you know, it's a subscription service that has its own  
24 methodology and means, and we -- we observe the data.  
25 We're not -- you know, we normally would not test any

1 of the data as you say.

2 Q. So you specifically did not test any of the  
3 data to ensure its accuracy in this case. Is that a  
4 fair statement?

5 A. Well, I believe its accuracy. We use -- we  
6 use the data all the time. We understand its sourcing.

7 Q. I understand that you believe --

8 A. Why would we -- why would we audit Yardi? I  
9 mean, it doesn't make sense. So, no, in any case, we  
10 did not endeavor to do that.

11 Q. Thank you. Thank you.

12 And what data points did you collect for each  
13 one of these -- these specific dots included on page 30  
14 of -- of Exhibit 1?

15 A. The average rent and occupancy.

16 Q. And do you have those -- those figures broken  
17 down for each one of these specific data points for the  
18 Yardi matrix?

19 A. As I said, I don't believe so. It's -- that's  
20 not something that we would do. If they provided that  
21 to us on the -- you know, in conjunction with  
22 downloading the data, we may have that, but I don't --  
23 and, you know, it's certainly possible to go chase it  
24 down. It simply wasn't important to us.

25 Q. And -- well, you -- but you do have access to

1 Q. So do you know how your assistant, Amy,  
2 obtained the data for -- that she used for the subject  
3 area which is depicted in -- in your report for the  
4 subject area?

5 A. Just as we discussed. Logged on to -- you  
6 know, the data services and did a -- a query and -- and  
7 gathered the results.

8 Q. Okay. And what -- what are the -- the query  
9 tools that you're allowed to use to filter your search?

10 A. CoStar has quite a broad range of tools that  
11 one could use. In this case, you know, you're looking  
12 at the entire market. So they -- they track the  
13 properties that they track, again, and have their own  
14 criteria for what makes it into their database in terms  
15 of size.

16 So other than that, I think it was a  
17 comprehensive search. So, under the, you know, retail  
18 classification, they might have subclassifications for  
19 different things. And under office they might have  
20 subclassifications and you could probably, you know,  
21 query by, you know, size and -- and, you know, age and  
22 all kinds of things if that was your intention.

23 And again, for the purpose of market analysis,  
24 that's -- that's usually not our intention. So that's  
25 not something that we would be doing. If we're

1 appraising a property, we would look at specific data  
2 points. And if we're looking at a market, we would  
3 look at a -- you know, a summary of -- of data points  
4 as we've done here.

5 Q. So CoStar has a lot more tools that would  
6 allow you to filter the -- the data search.

7 Is that a fair statement?

8 A. Yes, down to the specific property level.  
9 But, again, we're not appraising specific property, so  
10 we wouldn't have had even a sample to compare that to.

11 Q. Okay. What filters did Amy use when she  
12 filtered the data for the subject area?

13 A. Okay. Go ahead. Sorry.

14 Q. What filters did Amy use for the CoStar data  
15 that is depicted on the map on page 49 for the subject  
16 area?

17 A. Location and use.

18 Q. And what were the uses that she filtered for?

19 A. Office and retail.

20 Q. And did she make any further filtering of the  
21 dataset when she had achieved it, to your knowledge?

22 A. No.

23 Q. And CoStar would have different property  
24 addresses and different data points for its subject  
25 area, wouldn't you agree?



## REPORTER'S CERTIFICATE

I, CARLA R. WALLAT, CCR, CSR, RPR, CRR, the undersigned  
 Certified Court Reporter, authorized to administer oaths and  
 affirmations in and for the states of Washington (2578),  
 Oregon (16-0443), and California (14423) do hereby certify:

That the sworn testimony and/or proceedings, a  
 transcript of which is attached, was given remotely before me  
 at the time and place stated therein; that any and/or all  
 witness(es) were duly sworn to testify to the truth; that the  
 sworn testimony and/or proceedings were by me stenographically  
 recorded and transcribed under my supervision. That the  
 foregoing transcript contains a full, true, and accurate  
 record of all the sworn testimony and/or proceedings given and  
 occurring at the time and place stated in the transcript; that  
 a review of which was requested; that I am in no way related  
 to any party to the matter, nor to any counsel, nor do I have  
 any financial interest in the event of the cause.

WITNESS MY HAND AND DIGITAL SIGNATURE this 31st day of  
 August, 2022.

*Carla Wallat*



CARLA R. WALLAT, RPR, CRR  
 Washington CCR #2578, Expires 1/5/2023  
 Oregon CSR #16-0443, Expires 9/30/2024  
 California CSR #14423, Expires 1/31/2023



## ERRATA

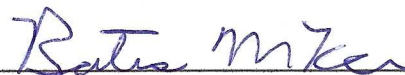
**CASE NAME:** Hunters Capital, LLC v. City of Seattle

**DATE TAKEN:** 8/24/2022

**WITNESS:** Bates McKee

### CORRECTIONS

Page	Line	Now Reads	Should Read
<u>  9  </u>	<u> 20 </u>	<u>     lease     </u>	<u>     leased     </u>
<u> 17 </u>	<u> 15 </u>	<u>  the states  </u>	<u>  estates  </u>
<u> 25 </u>	<u> 20 </u>	<u> I reviewed  </u>	<u> a review  </u>
<u> 51 </u>	<u> 24 </u>	<u>  2021      </u>	<u>  2020      </u>
<u> 60 </u>	<u> 13 </u>	<u>  oppositional  </u>	<u>  optional  </u>
<u> 79 </u>	<u> 14 </u>	<u>  well      </u>	<u>  real      </u>
<u> 81 </u>	<u> 16 </u>	<u>  faces      </u>	<u>  facets      </u>
<u> 82 </u>	<u> 22 </u>	<u>  was      </u>	<u>  was not      </u>
<u> 84 </u>	<u> 23 </u>	<u>  lese via  </u>	<u>  leased fee  </u>
<u>     </u>	<u>     </u>	<u>             </u>	<u>             </u>



Signature of Deponent



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Page	Line	Now Reads	Should Read
<u>  94  </u>	<u>  19  </u>	<u>      demain      </u>	<u>      domain      </u>
<u>  95  </u>	<u>  19  </u>	<u>  knowledgeable  </u>	<u>knowledge  </u>
<u> 118  </u>	<u>   4   </u>	<u>  broke  </u>	<u>  wrote  </u>
<u> 177  </u>	<u>   9   </u>	<u>  Right.  </u>	<u>  Right?  </u>
<u> 190  </u>	<u>  20  </u>	<u>  high      </u>	<u>              </u>
<u>199  </u>	<u>  17  </u>	<u>  hours      </u>	<u>  our      </u>
<u>221  </u>	<u>   2   </u>	<u>  my domain for  </u>	<u>  eminent domain  </u>
<u> 221  </u>	<u>   3   </u>	<u>  over      </u>	<u>  for a      </u>
<u> 228  </u>	<u>   9   </u>	<u>  sometimes it  </u>	<u>  Sound Transit  </u>
<u>      </u>	<u>      </u>	<u>              </u>	<u>              </u>

A handwritten signature in blue ink, appearing to read "Bates McKee", written over a horizontal line.

Signature of Deponent